

Message Text

LIMITED OFFICIAL USE POSS DUPE

PAGE 01 ROME 02634 041741 Z

70

ACTION EUR-25

INFO OCT-01 ADP-00 CIAE-00 COME-00 EB-11 INR-10 LAB-06

NSAE-00 RSC-01 SIL-01 AID-20 NSC-10 CIEP-02 TRSE-00

SS-15 STR-08 OMB-01 CEA-02 L-03 RSR-01 /117 W

----- 106622

R 041633 Z APR 73

FM AMEMBASSY ROME

TO SECSTATE WASHDC 8125

LIMITED OFFICIAL USE ROME 2634

E. O. 11652: N/ A

TAGS: ELAB, IT

SUBJECT: SETTLEMENT MEATWORKER DISPUTE

REFERENCE: ROME' S A-187

1. AFTER A WEEK OF MARATHON DAY AND NIGHT NEGOTIATIONS AGREE-
MENT ON NEW 3- YEAR CONTRACT WAS REACHED APRIL 3 BETWEEN THE
MANAGEMENT ORGANIZATION FEDERMECCANICA AND UNIONS REPRESENTING
1,250,000 MEATWORKERS. SETTLEMENT OF MOST LENGTHY DISPUTE IN
PAST 20 YEARS REACHED WITH ACTIVE MEDIATION LABMIN COPPO FOR WHOM
BOTH LABOR AND MANAGEMENT HAD EFFUSIVE PRAISE. AGREEMENT WHICH
SHOULD BE APPROVED WITHOUT DIFFICULTY BY FACTORY ASSEMBLIES
PARALLELS
ACCORD REACHED TWO WEEKS AGO BY THE METAL UNIONS AND STATE
PARTICIPA-
TION METAL INDUSTRY (INTERSIND) WITH, HOWEVER, SPECIAL CONCESSIONS
IN THE FORM OF MORE GRADUAL IMPLEMENTATION CONTRACT PROVISIONS FOR
COMPANIES WITH FEWER THAN 200 WORKERS. RESOLUTION PROBLEM OF
" AMNESTY" FOR WORKDERS FIRED OR UNDER INDICTMENT IN BOTH PUBLIC AND
PRIVATE INDUSTRY APPEARS BEING WORKED OUT AND SHOULD PAVE WAY
TOWARD FINAL SIGNATURE OF CONTRACTS. MAJOR PROVISIONS ARE
(1) ACROSS THE BOARD SALARY INCREASE OF 16,000 LIRE (USDOLS 27.83
RATE 575- DOLS 1) AND ONE TIME PAYMENT OF 44,000 LIRE TO COMPENSATE
FOR

JANUARY THROUGH MARCH PERIOD. (2) COMMON CLASSIFICATION SYSTEM WITH
8 PAY LEVELS MERGING BLUE AND WHITE COLLAR WORKERS. AUTOMATIC
PROMOTION AT LOWER LEVELS. SYSTEM TO BE PUT INTO EFFECT NOVEMBER
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 02634 041741 Z

1,1973, VS. JUNE 1973, FOR IMPLEMENTATION INTERSIND AGREEMENT.
(2) NORMAL WORK WEEK OF 40 HOURS WITH EXCEPTION OF 39 HOUR WEEK
IN THE STEEL INDUSTRY BEGINNING 1975. (4) OVERTIME LIMITED TO 170
HOURS PER YEAR. (5) ONE MONTH VACATION FOR BOTH BLUE AND WHITE
COLLAR WORKERS BEGINNING JULY 1974.

2. MEANINGFUL CALCULATION ANTICIPATED LABOR COSTS ELUSIVE
ESPECIALLY DUE TO NORMATIVE PROVISIONS AND THEIR GRADUAL IMPLEMENTA-
TION. INDUSTRY SOURCES ESTIMATE COST OF 3- YEAR AGREEMENT TO RANGE
FROM

16 TO 21 PERCENT OVER LAST CONTRACT. COSTS LESS " FRONT LOADED"
THAN
USUAL DUE TO GRADUALITY PRINCIPLE. IMPORTANT FACTOR IN OVERALL
LABOR COST EQUATION IS OUTCOME OF FACTORY LEVEL BARGAINING WHICH
IN 1969-71 PERIOD RESULTED IN ALMOST DOUBLING LABOR COSTS
OF 1969 AGREEMENT. NO ONE, HOWEVER, EXPECTS THAT KIND OF DISRUPTIVE
BARGAINING TO REPEAT ITSELF. ALTHOUGH LABOR MANAGEMENT ACCORD
CONTAINS NO LIMITATION ON FACTORY LEVEL BARGAINING THE METAL-
WORKERS EXECUTIVE COMMITTEE UNILATERALLY APPROVED A RESOLUTION
COMMITTING UNIONS TO FULLY OBSERVE CONTRACT. SINCE UNION
CONTROL OVER " AUTONOMOUS" FACTORY COUNCILS HAS IMPROVED OVER
PAST YEAR AND BECAUSE OF THE WORKERS STATE OF MIND, UNIONS
SHOULD BE ABLE TO GENERALLY GUIDE LOCAL BARGAINING.

3. SETTLEMENT METAL DISPUTE WRAPS UP 1972 CONTRACT SEASON WHICH DID
NOT RESEMBLE 1969 HOT AUTUMN BUT WAS ECONOMICALLY AND POLITICALLY
TROUBLESOME. LABMIN COPPO HAILED CONTRACT AS ENDING ECONOMIC
UNCERTAINTY AND SETTLING STAGE FOR IMPROVEMENT IN PRODUCTION,
EMPLOYMENT AND PROFITS. HE TERMED CONTRACT IMPORTANT ESPECIALLY
IN NORMATIVE AREAS WHICH ADJUST FACTORY LIFE TO MORE MODERN SOCIAL
AND PRODUCTIVE CONCEPTS. TRADE UNIONS TERM CONTRACT " VICTORY"
ESPECIALLY IN VIEW OF EMPLOYER INTRANSIGENCE AND GENERAL ECONOMIC
CONDITION. MANAGEMENT VIEWS CONTRACT AS WORKABLE WITH ACCEPTABLE
COST INCREASES. FINAL CONTRACT DIFFERS LITTLE FROM OTHER 1972
AGREEMENTS. METAL WORKER UNIONS EMERGE FROM 5 MONTH DISPUTE A BIT
BLOODY WITH SOME EROSION OF STRENGTH, INDUSTRY SUFFERED FROM
UNCERTAINTY WITH NEGATIVE EFFECTS ON INVESTMENT. GOVERNMENT
APPEARED AT TIMES INEFFECTIVE AND UNABLE BRING PARTIES TOGETHER.
TODAY IT IS LABMIN COPPO AND GOVERNMENT WHO BASK IN GLOW OF
SUCCESSFUL DENOUEMENT DISPUTE. VOLPE
DECONTROL APRIL 1974

LIMITED OFFICIAL USE

NMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 04 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973ROME02634
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730433/aaaahphw.tel
Line Count: 111
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 ROME A-187
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 17 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17-Sep-2001 by shawdg>; APPROVED <21 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 971125
Subject: SETTLEMENT MEATLWORKER DISPUTE
TAGS: ELAB, IT
To: EUR
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005